

No. NBCC/NSEBSE/2024-25

June 04, 2024

नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड एक्सचेंज प्लाजा, प्लॉट नंबर सी/1, जी ब्लॉक, बान्द्रा-कुर्ला कॉम्प्लेक्स बान्द्रा (ई) मुंबई 400051 एनएसई प्रतीक: एनबीसीसी/EQ National Stock Exchange of India Ltd. Exchange Plaza, Plot No C/1, G Block, Bandra -Kurla Complex Bandra (E) Mumbai-400051 NSE Symbol: NBCC/EQ	बीएसई लिमिटेड फिरोज जीजीभोय टॉवर, दलाल स्ट्रीट, मुंबई -400001 स्क्रिप कोड: 534309 BSE Ltd. Phiroze Jeejeebhoy Tower, Dalal Street , Mumbai-400001 Scrip code:534309
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**Subject (विषय): Transcript of Conference Call dated May 31, 2024
(Q4-FY 2023-24 Audited Financial Results)**

Sir (महोदय),

This is in reference to NBCC's Intimation dated May 27, 2024 regarding Investors conference Call/ Earning Call dated May 31, 2024, please find enclosed herewith the transcript of discussion held during the said conference call.

The aforesaid information is also disclosed on the website of the company:
<https://nbccindia.in/webEnglish/investorPresentation>

This is for your information and record.

Kindly acknowledge the receipt.

Thanking you

**Yours Sincerely,
For NBCC (India) Limited**

**Deepti Gambhir
Company Secretary
F-4984**

Encl: As above



एन बी सी सी (इंडिया) लिमिटेड
(भारत सरकार का उद्यम)



“NBCC (India) Limited
Q4 FY'24 Earnings Conference Call”
May 31, 2024



ICICI Securities



MANAGEMENT:

**MR. K. P. MAHADEVA SWAMY – CHAIRMAN-CUM
MANAGING DIRECTOR – NBCC (INDIA) LIMITED**
**MRS. B. K. SOKHEY – DIRECTOR OF FINANCE – NBCC
(INDIA) LIMITED**
**MR. SALEEM AHMAD – DIRECTOR OF PROJECTS –
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**MR. RAJENDRA CHAUDHARI – SENIOR EXECUTIVE,
DIRECTOR ENGINEERING – NBCC (INDIA) LIMITED**
**MRS. RESHMA DUDANI – SENIOR EXECUTIVE
DIRECTOR, ENGINEERING – NBCC (INDIA) LIMITED**
**MR. BALKISHAN SINGLA - INVESTOR RELATIONS –
NBCC (INDIA) LIMITED**

MODERATOR: MR. MOHIT KUMAR – ICICI SECURITIES



achieved sale of 6,300 units in Amrapali Projects with total sale value of around INR3,650 crores.

I'm happy to share that out of 38,000 units, 20,000 units are completed, and we are committed to provide remaining houses on or before 31st March 2025, which demonstrates NBCC's capability to solve the country's complex problems and contribute towards nation building.

In Amrapali, additional FAR projects, our 2 tenders worth of INR4,000 crores are in process and to be awarded at the earliest.

Regarding redevelopment of 7 GPRA. Three GPRA has contributed around INR1,500 crores in the top line. And in upcoming years, this number will increase significantly.

Netaji Nagar. Project first phase is going on with projects worth of INR1,500 crores, which has been almost 65% completed. Sarojini Nagar. This is a large project and worth of more than 10 phases is going on. This project worth of INR6,600 crores.

Regarding real estate projects, NBCC is putting dedicated efforts in this direction to reach maximum potential buyer and increase the sales volume. We are able to sell INR192 crores of NBCC real estate in comparison of INR44 crores last financial year.

Work awarded. Project tender out of around INR10,00 crores has been awarded during the year '23-'24.

Some of the major projects inaugurated by last year.

The inauguration of IIM Sambalpur by Honorable Prime Minister, Honorable President of India inaugurated NBCC built wooden replica of historic flag post at Honorable President House in Rashtrapati Nilayam Hyderabad. This is the tallest wooden flag post in India.

NBCC has provided in agri infrastructure with the signing of MOUs, construction of world's largest grain storage using innovative building technology with an approximate value of around INR1,500 crores.

Honorable President India also inaugurated NBCC built Kaushal Bhawan. Shri. Amit Shah, Honorable Union Minister, Home Minister, Cooperation inaugurated office building at World Trade Center.

Major opportunities and focus areas in the upcoming months.

Opportunity in housing sector. Opportunity in this sector are very huge, and we are in touch with various government agencies, including state governments for housing urban development.

Land monetization. Government agencies, including PACs have lot of land parcels across India, which are not generating any revenue to the owners. NBCC has been assessing these opportunities and started feasibility of 2 land parcels across pan India for phasing these large opportunities.



NBCC has signing MoU with BHEL for land monetization and also secured first redevelopment projects outside Delhi, that is Kerala State Housing Board project worth of INR2,000 crores. After a successful journey of redevelopment business model, NBCC also aims some large-sized projects in this segment upcoming, specifically government colonies of redevelopment.

Eacash, Amrapali project experience & expertise in NBCC's examining feasibility of a few more real estate projects in Delhi and NCR, Mumbai region where home buyers are facing such big problems primarily. on similar lines, NBCC has developed Amrapali housing project worth of INR4,00 crores in Chhattisgarh and Kerala.

Overseas focus. We already set up concrete foot in overseas, particularly African countries, Maldives, Mauritius. The Social Housing work in full swing in Maldives. We are hoping that we tap some business in Africa, Arabian countries in coming months.

NBCC is planning to start real estate venture in Dubai through wholly-owned subsidiary in Dubai.

NBCC real estate work, we are also reaching out Tier 2 cities for upcoming real estate projects and expedite the sale of it with the existed inventory.

Diversification. We are also taking some steps to diversify NBCC business, other areas like highway, railways, Metro and renewable energy. Thank you for your continued support and association. I want to express my gratitude for your time and attention today.

The achievement of NBCC in the financial year '23-'24 serve as a testament to our dedication and commitment to excellence. I personally believe these achievements are just starting and will provide a strong foundation for us for better performance in upcoming years. As we move forward, we remain committed in our pursuit of growth and contributing to the development of our nation.

Thank you once again, and we look forward to your continued support and engagement in our journey ahead.

Now the forum is open for question and answer.

Moderator:

The first question is from the line of Atul, an individual investor.

Atul:

And firstly, congratulations for your -- I mean, good results, I can say. And my question is 2 questions. So one is can you give me the sense of what is your expected, I mean, top line and bottom line for next financial year? And what you are looking how to -- I mean, sustain this growth, what you achieved in this financial year. Is it possible for next 2, 3 years? Or there is some problem that you can see?

KP Mahadevaswamy:

Next year target is our target top line is around INR12,500 crores to INR13,000 crores. And the PAT will be around 5.5% to 6%. So we don't have any problem because we have already in our end workload of around 64,000 crores at consolidated level. So there is no issue. Only we

- have to execute the work in time. So I think the next year target will be 12,500 crores to INR13,000 crores we can achieve easily.
- Atul:** Okay. And you are -- I mean, you are firm on your previous guidance of INR20,000 crores or INR25,000 crores top line during '27-'28?
- KP Mahadevaswamy:** '27-'28, yes.
- Atul:** Okay. And there is no, I mean, adverse effect on these, just a normal question. It's not a -- if this government change, is there any issue or not on your performance?
- KP Mahadevaswamy:** Because we have in our hand -- all the work order we have in our hand, I don't think any issue with the change in government.
- Atul:** Okay. So what is your -- right now, what is your order book?
- KP Mahadevaswamy:** INR64,000 crores at consolidated level.
- Atul:** Consolidated. And I mean do you have any plan to grow -- I mean, your business outlook for next year, like better than INR15,000 crores, INR20,000 crores order book? Or it will be like the same what you achieved in this year? .
- KP Mahadevaswamy:** It will be at least doing INR22,000 crores, INR25,000 crores next year business.
- Moderator:** The next question is from the line of Vasudev from Nuvama.
- Vasudev:** Congratulations for a great set of numbers. So sir, in the previous question you just said that our consolidated order book is INR62,000 crores. So will it be possible to give a split between the PMC and the redevelopment business?
- KP Mahadevaswamy:** PMC is around 66% and redevelopment is around 34%.
- Vasudev:** Okay. Sure, sir. And out of the INR64,000 crores, how much of our order book is currently under execution?
- KP Mahadevaswamy:** Around INR20,000 crores already in running projects.
- Vasudev:** Okay, INR20,000 crores. And just one clarification, you said that revenues were looking at INR12,500 crores to INR13,000 crores. So this is on consolidated basis, right?
- KP Mahadevaswamy:** Yes.
- Vasudev:** And So then what is your stand-alone?
- KP Mahadevaswamy:** Stand-alone, around, INR10,000 crores.
- Vasudev:** Okay. Awesome. So then on consolidated basis, what are the EBITDA margins that we're looking at?



- KP Mahadevaswamy:** 5.75% to 6% at consolidated level.
- Vasudev:** Okay. Sorry, sir. This one -- this is the EBITDA margin which you're talking about, 5.75% to 6%. And what about the PAT margins then?
- KP Mahadevaswamy:** PAT margin, around 5.25% to 6%.
- Vasudev:** Okay. Okay. Got it. And sir, On the order intake in order awarding, so we have order INR10,000 crores this year. So how much are we expecting next year? And more other inflows that you're expecting next year?
- KP Mahadevaswamy:** Next year inflow order will be around INR25,000 crores. And we'll go in to award around INR12,000 crores to INR15,000 crores in the coming year, we'll go in to award the work.
- Vasudev:** Okay. Then sir, just few more questions from my side. On 7 GPRA Colony what is the unsold inventory pending in these projects?
- KP Mahadevaswamy:** Almost World Trade Center, we have sold almost 98%. Only another some 80,000 square feet is unsold. So that I think we're going to sell during this month and June month. And we have Sarojini Nagar bulk sale. So that we'll also --sell it very soon. we will completed the project. We got the NOC also from Fire Department. So now we have to get the Occupancy Certificate. Once Occupancy Certificate is received, means immediately we'll going to sell it off. So the inventory is only around INR1,400 crores, only balance with us, almost INR12,000 crores inventory we sell it off.
- Vasudev:** Okay. And the Nauroji Nagar, what is the unsold inventory which is now just pending for this 80,000 square feet?
- KP Mahadevaswamy:** 80,000 square foot only.
- Vasudev:** So what will be the value for this?
- KP Mahadevaswamy:** Around INR240 crores -- INR300 crores.
- Vasudev:** Okay. And sir, on the Amrapali Project, now what is our pending order book, unexecuted portion?
- KP Mahadevaswamy:** Rs.1500 Cr is pending. is to be executed. And we got additional -- future INR10,000 crores order. So the appointment of consultant already over, and we're going to call a tender for execution.
- Vasudev:** Okay. And so earlier you mentioned that we'll be looking toward INR4,000 crores. Is that number correct?
- KP Mahadevaswamy:** Yes, we're going award. INR4,000 crores, we're going to award in Amrapali. I think we're going to generate around INR1,000, INR1,200 crores we're going to execute in Amrapali during this year.



- Vasudev:** And sir, on the land bank. So I just want to ask what is the land bank that we currently have on NBCC books right now? And what are the monetization plans for this land?
- KP Mahadevaswamy:** We have around 39 acre land in our books, valuing of INR652 crores, of which we have land parcel in Jaipur, Coimbatore and some land parcel in Ghaziabad also. Recently, we have called consultant tendering for Jaipur and contractor -- one package we already called for the commercial property appointment of contractor also. So that we're going to take care in the next year.
- Vasudev:** Okay. What is the sales value, expected sales value from this land that we have?
- KP Mahadevaswamy:** This land is around, you can say INR1,000 crores, INR1,200 crores -- including land value.
- Vasudev:** Including the land value. Okay. And sir, just last 2 more questions. So we sold about INR192 crores of real estate this year. So what is the target for next year? And how much is our unsold inventory then?
- KP Mahadevaswamy:** Next year, target will be around INR300 crores. Unsold inventory is, I think, INR450 crores.
- Vasudev:** And just last one on how much is the seed money which is pending and interest on that?
- BK Sokhey:** Actual, seed money, we have received the seed money from the MOHUA to the extent of INR908 crores. Now seed money with the Amrapali Project is pending to the extent of INR350 crores. Plus, there are some AIIMS works where the INR97 crores is also lying. And the interest amounting to INR219 crores is now -- is pending to be received yes from MoHUA as well as from the AIIMS client.
- Vasudev:** Sure. That's it from my side. Thank you and all the best.
- Moderator:** Thank you. The next question is from the line of Nikhil Abhyankar from ICICI Securities. Please go ahead.
- Nikhil Abhyankar:** Sir can you mentioned the split between the PMC and redevelopment of our total order book?
- K. P. Mahadevaswamy:** PMC around 66% and redevelopment around 34%.
- Nikhil Abhyankar:** 34%. Okay. And sir, you mentioned earlier that you are looking to improve your margins by almost around 1% or something. So what exactly will drive this increase in EBITDA margins, if I may understand?
- K. P Mahadevaswamy:** We are getting the redevelopment project at Amrapali and 7 GPRA, there we are getting 8% PMC, 1% marketing fee. So that is the main reason we are getting increase in fees. And at the same time, we are selling our real estate inventory where our profit margin will be around 20% to 25%.
- So that is a reason last year, our EBITDA was 4.47%, previous year, '22-'23, and we achieved last year 5.4%. There is an increase of 1% EBITDA. The reason is we executed more real estate projects and we sell some INR192 crores real estate projects also.



- Nikhil Abhyankar:** Understood. So we are not expecting any increase in margins for the PMC business?
- K. P Mahadevaswamy:** Definitely, we are trying to get some more business in the PMC only. Of course, if it is not redevelopment, we are expecting some workload from BHEL, SAIL. A lot of PSU are having land banks and even Jammu Kashmir, Srinagar they have 415 acre land parcel. After this Code of Conduct, I think we are going to get that order. So we are hoping with so many land parcels across India, not in Delhi. In Delhi also we're trying to get 2 more projects in Delhi.
- Nikhil Abhyankar:** Okay. And sir if I can ask on the subsidiary part, so how much is the revenue EBITDA and PAT for HSCC and Hindustan Steelworks?
- K. P Mahadevaswamy:** HSCC last year around INR1,500 crores turnout from HSCC and the HSCL INR800 crores. So this year, I think we are expecting from HSCC INR1,600 crores to INR1,800 crores, and around INR900 crores to INR1,000 crores from HSCL. And we have one more subsidiary that is NSL from there we got INR280 crores.
- Nikhil Abhyankar:** INR280 crores this year?
- K. P Mahadevaswamy:** This year. Next year around INR300 crores we'll expect from NSL.
- Nikhil Abhyankar:** Okay sir. Thank you and all the very best.
- Moderator:** Thank you. The next question is from the line of Vasudev from Navana. Please go ahead.
- Vasudev:** Sir just one more question. What is the total value that is sold in the WTC project till date, total sales till date?
- K. P Mahadevaswamy:** Around INR12,000 crores already sold INR12,000 crores.
- Vasudev:** Nauroji Nagar is INR12,000 crores. And even for Sarojini Nagar till date we have sold INR12,000 crores.
- K. P Mahadevaswamy:** Nauroji Nagar INR12,000 crores. In Sarojini Nagar, we sell it only around INR50 crores, but the balance is around INR1,300 crores.
- Vasudev:** Okay. Got it. Thank you.
- Moderator:** Thank you. The next question is from the line of Shivam an individual investor. Please go ahead.
- Shivam:** Congrats for a good set of numbers. Sir, I just want to -- I just missed on your revenue numbers that you shared for the next fiscal year. Can you just repeat that?
- K. P Mahadevaswamy:** Pardon me?
- Shivam:** The top line number.
- K. P Mahadevaswamy:** INR12,500 crores to INR13,000 crores next year.



- Shivam:** INR13,000 crores. Okay. So is it a conservative guidance or you can revise it to upwards also?
- K. P Mahadevaswamy:** This is optimistic only because we are some projects recently cleared in by Ministry. So definitely, we will be going to achieve this target.
- Shivam:** Okay. And sir, the real estate cycle has been taken. So when are you planning to like develop on your land parcel, start taking up new real estate projects?
- K. P Mahadevaswamy:** Yes, we started. We started one project at Jaipur. We're going to launch one more project in the Jaipur itself and one more project at Coimbatore. So we are planning to start these 3 projects in the current year, our real estate projects.
- Shivam:** Why are we not aggressive like the real estate demand is so good, so we should launch at our land parcel or are we looking to monetize our land parcels instead of moving that?
- K. P Mahadevaswamy:** No. We're going to construct and sell it. We don't want to sell the land parcels.
- Shivam:** So any more land parcels that you will be adding for the real estate this year?
- K. P Mahadevaswamy:** These three are the main. Dubai we are planning. We want to start our real estate project in Dubai, for which already we have started planning. We're going to start and open our account in Dubai. We are registering our company in Dubai.
- Shivam:** So do we have the land in Dubai?
- K. P Mahadevaswamy:** No. We don't have any land.
- Shivam:** What is it costing and what will -- what amount of real estate business you want to do in Dubai?
- K. P Mahadevaswamy:** At least 20% return we can expect minimum 20% return.
- Shivam:** And what will be the growth development value?
- K. P Mahadevaswamy:** So far we have not decided -- around initial stage around INR250 crores to INR300 crores the project cost.
- Shivam:** Okay. And how much revenue will be realized this year from real estate itself?
- K. P Mahadevaswamy:** Real estate itself?
- Shivam:** Yes. How much?
- K. P Mahadevaswamy:** INR 192 crores.
- Shivam:** INR192 crores.
- Baldev Kaur Sokhey:** Turnover from real estate this year is INR144 crores.



- Shivam:** And what are you expecting for the next fiscal year?
- K. P Mahadevaswamy:** Around INR300 crores.
- Shivam:** Okay. And sir, what are the approvals which are pending for redevelopment from the PSUs for this fiscal year that has been halted because of the election period?
- K. P. Mahadevaswamy:** So far we got the work order from BHEL. And we are already talking with SAIL, HPCL, ONGC. So many PSUs are having land parcels where the initial discussion is going on. And after this Code of Conduct we're going to sign MoUs with other PSUs also.
- Shivam:** So what would be the expected amount if we...
- K. P Mahadevaswamy:** Around INR25,000 crores business, minimum INR25,000 crores business.
- Shivam:** There is around 8% to 9% of margin because in redevelopment you get higher margin?
- K. P. Mahadevaswamy:** Yes around 6% to 7% we can say including marketing 8%.
- Shivam:** 8%. Okay. Thank you so much.
- Moderator:** Thank you. The next question is from the line of Nikhil Abhyankar from ICICI Securities. Please go ahead.
- Nikhil Abhyankar:** Sir, I wanted to ask on the international projects front. So what is the status of projects we were doing in Maldives, Mauritius and I guess also in Seychelles and Burundi I guess?
- Pradeep Sharma:** Maldives is going at a good pace. This is almost 65% complete and remaining 35% left. And Mauritius already handed over two big projects, Supreme Court and Special Housing and three projects are ongoing. We are also exploring as we have told in Dubai new land parcels in real estate business.
- With regard to Burundi that project is kept on hold because of bank. They have some financial issues with some foreign country. So that is kept on hold. We are also exploring new business in Guinea, that is Guinea-Conakry Africa for a hospital project. So these are the major projects which are in pipeline. Seychelles we are already doing chancery building we are going to start another chancery building project.
- Nikhil Abhyankar:** I mean how are these projects placed in terms of receivables or the cash flowing -- are they any cash flow sign?
- Pradeep Sharma:** So these major projects are all on PMC basis except for Maldives, where we EPC. There are margins around 14%, 13%. And the way we are expecting because of the real estate venture, So we are expecting a return from there of 20%, around 20%. Rest all the projects are PMC, we are getting a fees on that.
- Nikhil Abhyankar:** Okay. And we did not face any pressure in the Maldives project once we had some kind of geopolitical tensions between us?



- K. P Mahadevaswamy:** Not exactly. There was some period was there. But now things are getting back on track. And bilateral issues have been resolved. So we are getting on track now.
- Nikhil Abhyankar:** Okay. And sir have you received any kind of indication regarding the 100-day agenda post the government formation? And should we expect any kind of a big trigger for us?
- K. P Mahadevaswamy:** 100-day agenda, no, no, we are not -- we are yet to get it. 100 days, of course, we wanted to hand it over around 1,800 units in Sarojini Nagar. By two quarters we will be going to hand it over to Ministry. That is our 100 days agenda. And of course in GPOA I officer block we're going to complete and hand it over to the Ministry. These two are the main agendas for the 100 days.
- Nikhil Abhyankar:** Okay. And sir, you mentioned about the BHEL order. Can you explain us what exactly is the scope of this order? How big is that and what is the potential value?
- K. P Mahadevaswamy:** BHEL order is actually these are all redevelopment and monetization of their land parcel. Major chunk of land parcel is in Bhopal. They have huge land parcel they are owning here. So that is also to be monetized as well as for Visakhapatnam. They have taken over another PSU called Bharat Heavy Plate & Vessels, BHPV. So they are also owning a land parcel of around 150 acres to 200 acres. So these two projects and these two land parcels are to be taken up immediately which is...
- Nikhil Abhyankar:** And sir what is the potential value of these projects?
- K. P Mahadevaswamy:** It will be around -- more than around INR10,000 crores to INR15,000 crores.
- Nikhil Abhyankar:** INR10,000 crores to INR15,000-odd crores.
- K. P Mahadevaswamy:** It will be in a phased manner.
- Nikhil Abhyankar:** I'm sorry. Did I miss something, sir?
- K. P Mahadevaswamy:** Yes, it will be in a phased manner.
- Nikhil Abhyankar:** It will be in a phased manner say around 5 years?
- K. P Mahadevaswamy:** 5 years yes.
- Nikhil Abhyankar:** Sure sir. Thank you and all the very best.
- Moderator:** Thank you. As there are no further questions from the participants, I would now like to hand the conference over to the management for closing comments.
- K. P Mahadevaswamy:** Thank you everyone doing the best and I think next year, this year it is a...
- Moderator:** Sorry to interrupt sir. Actually, there's a question. It's from the line of Shivam an individual investor. Please go ahead.



- Shivam:** Sir are you also looking at the redevelopment of the land bank of the Indian Armed Forces, like Army, Navy and Air Force?
- K. P Mahadevaswamy:** Yes, we are in discussion with Army also because they have a land parcel in Delhi around 100 acre land parcel. With them also there is a discussion is going on and of course railway, railway board also having some land parcel. So that also we'll be going to get monetize.
- Shivam:** So when are we going to finalize the deal with the Army in the Delhi land parcel of 100 acres? And what will be the estimated revenue from..
- K. P Mahadevaswamy:** INR3,000 crores to INR4,000 crores value.
- Shivam:** INR4,000 crores. And any estimation, like till when can you finalize it?
- K. P Mahadevaswamy:** I think during this year hopefully it will be finalized.
- Shivam:** So this will be 1 shot. No phases like this?
- K. P Mahadevaswamy:** One shot.
- Shivam:** Okay. Thank you.
- Moderator:** That was the last question. I would now like to hand the conference over to the management for closing comments.
- K. P Mahadevaswamy:** Once again thank you. And I think this year, we have achieved all the records and the highest turnover, highest business, highest profitability. So next year we'll try to keep this momentum in the same speed and same intensity. Once again thank you one and all.
- Moderator:** On behalf of ICICI Securities, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.